No decision has however, been taken so far, to bear a major part of the cost involved in the scheme.

Appointment of sole selling agent

2409. SHRI SANJAY DALMIA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Companies Act prohibits appointment of Sole Selling Agents where it is observed that the demands of such goods is in excess of the production of such goods;

(b) whether it is also a fact that some categories of bulk drugs come under this purview; and

(c) if so, the details thereof and what mechanism Government employ to see that it is not violated?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. BHARDWAJ): (a) In accordance with the provisions of Subsection (1) of section 294-AA of the Companies Act, 1956, where the Central Government is of opinion that the demand for goods of any specified category is substantially in excess of the production or supply of such goods and that the services of sole selling agents will not be necessary to create a market for such goods, the Central Government may, by notification in the Official Gazette, declare that sole selling agents shall not be appointed by a company for the sale of such goods for such period as may be specified in the declaration.

(b) and (c) By Notification GSR No. 390(E) dated 18.4.1994, the Central Government has declared that no company shall appoint sole selling agents in India for a further period of 3 years w.e.f. 18.4.1994, for sale of every category of 'bulk drug', 'drugs' and 'formulations' as defined in the Drugs (Prices Control) Order, 1987 not being:

(i) any bonafide preparation included in Ayurvedic (including Siddha) or Unani (Tibb) systems of medicine; or

(ii) any preparation included in the Homeopathic system of medicine

In terms of item No. 3(i) (b) of Part II of Schedule VI to the Companies Act, 1956, commission paid to Sole Selling Agents within the meaning of section 294 of the Act has to be mandatorily disclosed by comanies in the Profit & Loss Account of the company. Any violation of Section 294AA is punishable under section 629A of the Act.

Ban on the Planatatioo scheme floated by companies

2410. SHRI SANJAY DALMIA: Will the PRIME MINISTER be pleased to state:

(a) whether Government have decided to put a blanket ban on the plantation schemes being floated by some companies promising alluring returns to investors on deposits unless they are drastically amended; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. BHARDWAJ): (a) No, Sir. Government have not decided on a blanket ban.

(b) Does not arise.

Financial support for revival of 15 Public Sector Undertakings

2411. SHRI JIBON ROY: Will the PRIME MINISTER be pleased to state:

(a) what is the financial involvement of Government financial institutions and the Banks for the revival proposals of 15 PSUs which was